

## **Financial Risk Attitudes, Demographic Profiles and Behavioural Traits: Do They Interrelate?**

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The association between demographic variables and human behaviour has been well documented in previous literature; however, the association between demographic profiles, behavioural traits and financial risk attitude remains unexplored. Using the t-test and oneway analysis of variance (ANOVA), this paper investigates how differences in behavioural trait bias among 241 master of business administration students in Malaysia affect their financial risk attitude. First, we find that the financial risk takers have higher levels of overconfidence, maximization, happiness, and trust than their risk-averse respondents.

Second, we find the impact of the following demographic differences: That men are greater financial risk takers than women, singles are greater financial risk takers than marrieds, and, in terms of race, the Chinese are the greatest financial risk takers. This paper also empirically suggests that people with a lower income and less work experience are greater financial risk takers than their higher income counterparts. These findings suggest that the financial planners need to take cognisance of such relationship, tendencies and risk preference so as to understand their client inclination and provide appropriate advice to their investor clients.